REMARKS/ARGUMENTS

This Amendment is filed concurrently with a Request for Continued Examination (RCE). In the Advisory Action, claims 8-9 were rejected under 35 U.S.C. §102(e) and claims 2-7 and 10-12 were rejected under 35 U.S.C. §103(a). No claims have been amended.

I. REJECTIONS UNDER 35 U.S.C. § 102(e)

Claims 8-9 were rejected under 35 U.S.C. §102(e) as being anticipated by Vynne (U.S. Patent No. 5,960,081). Applicants respectfully maintain that a prima facie case of anticipation has not been established because Vynne does not teach, expressly or inherently, each and every element set forth in these claims. Applicants agree that Vynne discloses "detecting a change between the first and second frames," but such teachings merely represent a first step for embedding the watermark. As stated in column 2, lines 60-63 of Vynne, the watermark is embedded by (1) detecting a change between the first frame and the second frame, (2) producing change information based on the change, and (3) encoding the watermark into the change information. The detection of the change has no relationship with recovery of the watermark as set forth in claim 8.

In light of the foregoing, Applicants respectfully request that the §102(e) rejection of claims 8-9 be withdrawn.

II. REJECTION UNDER 35 U.S.C. § 103(a)

Claims 2-7 were rejected under 35 U.S.C. §103(a) as being unpatentable over Tewfik (U.S. Patent No. 6,272,634) in view of Rhoads (U.S. Patent No. 5,768,426). Applicants respectfully disagree.

With respect to claim 6, Applicants respectfully submit that Tewfik describes a pseudo-random sequence acting as a watermark and being based on two random keys (one key dependent on the author of the host data, the other based on the host data). *See Abstract.* Rhoads (*column 5, lines 47-49*) describes embedding an N-bit value onto an entire signal through the addition of a very low amplitude encodation signal which has the look of pure noise.

Neither Tewfik nor Rhoads, alone or in combination, describes or suggests producing a watermark based on *a multiplication of* (1) the pseudo-random number sequence as set forth ion lines 7-8 of claim 6, and (2) an amplitude of a secondary data set with each pixel having a predetermined signal value, and (3) a. *Emphasis added.* Thus, a prima facie case of obviousness has not been established because all limitations of the claim have not been evaluated. *See In re Evanega*, 829 F.2d 1110, 4 U.S.P.Q.2d 1249 (Fed. Cir. 1987). Applicants respectfully request withdrawal of the §103(a) rejection.

Claims 10-12 were rejected under 35 U.S.C. §103(a) as being unpatentable over Vynne in view of Leighton (U.S. Patent No. 5,949,88). Applicants respectfully traverse the allegation that Vynne discloses a watermark that is retrieved *by detecting a change between the first frame and a subsequent second frame. See paragraph 4 of the Final Office Action.* Rather, as previously stated, Vynne describes the embedding of a watermark within "change information" that produced based on the change detected between the first frame and the second frame. *See column 2, lines 60-63 of Vynne.* There is no teaching or suggestion, by either Vynne or Leighton, for retrieving the watermark by detecting change between frames.

In addition, Applicants respectfully submit that neither Vynne nor Leighton, alone or in combination, describe or suggest (i) computing a sum for products of differences between watermarked intensities of the first frame and the second frame of the video sequence and corresponding elements of the pseudo-random number sequence; or (ii) computing a product of a mean value for the differences between watermarked intensities of the first frame and the second

frame of the video sequence and a sum of the pseudo-random number sequence; or (iii) subtracting the product of the mean value for the differences between watermarked intensities of the first frame and the second frame of the video sequence and the sum of the pseudo-random number sequence from the sum of products of the differences between watermarked intensities of the first frame and the second frame of the video sequence and the corresponding elements of the pseudo-random number sequence. Therefore, not only are dependent claims 10-12 allowable based on their dependency to claim 8, but also are allowable based on the subject matter claimed therein.

Conclusion

In view of the amendments and remarks made above, it is respectfully submitted that all pending claims are in condition for allowance, and such action is respectfully solicited.

Respectfully submitted,

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